

August 24, 2006

Les Boles, Director
Office of State Budgets
1201 Main Street
Suite 870
Columbia, SC 29201

Dear Mr. Boles:

In compliance with the Fiscal Year 2007-08 Budget Plans guidelines, the South Carolina Transportation Infrastructure Bank (SCTIB) advises that no additional general funds for operations or capital are requested and no additional FTEs are requested. The funding for the SCTIB is currently from sources other than the general fund of the state and at the present time is sufficient to meet the payouts for the projects currently approved for funding by the SCTIB and the Joint Bond Review Committee.

Sincerely,

Debra R. Rountree
Director of SCTIB Operations

August 24, 2006

Les Boles, Director
Office of State Budgets
1201 Main Street
Suite 870
Columbia, SC 29201

RE: Agency Priority Assessment of its Activities

Dear Mr. Boles:

The South Carolina Transportation Infrastructure Bank has not completed the Agency Priority Assessment of its Activities. The Bank has two activities. They include providing financial assistance to major transportation projects and administration of that program. Both activities are essential in order for the Bank to perform its mission. The Bank operates with a low administrative cost and outsources legal and financial advisory services which are included in the administrative budget. The total FY06-07 budget including expenditure of bond funds is over \$162 million with administrative budget of only \$389,700 (.24% of the budget). The FY07-08 budget is expected to increase for the activity of financial assistance to major transportation projects with only a slight increase in the administrative budget, primarily due to the cost of required analyses of the Bank's debt.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Debra R. Rountree
Director of SCTIB Operations

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

I. 2% COST SAVINGS ASSESSMENT

- A. Agency Section/Code/Name: 53A/U15/Infrastructure Bank Board
- B. Agency Activity Number and Name: 1453 Provide financial assistance for construction of major transportation projects
- C. Explanation of Cost Savings Initiative: Reduction in expenditures for construction of approved projects
- D. Estimate of Savings: \$1,247,794

FY 2007-08 Cost Savings Estimates:	General	Federal	Other	Total
Personnel:				
(a) Number of FTEs				0.00
(b) Personal Service				\$ 0
(c) Employer Contributions				\$ 0
Program/Case Services			1,247,794	\$1,247,794
Pass-Through Funds				\$ 0
Other Operating Expenses				\$ 0
Total	\$ 0	\$ 0	\$1,247,794	\$1,247,794

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

The sole mission of the Infrastructure Bank is to provide financial assistance for major transportation projects. Projects are selected from applications (applicants are generally counties) based on qualifications and funding availability. Applicants must provide a local match to funds provided by the Bank. Any reduction in funds for the next two years would delay currently approved projects and reduction in future years would affect the capacity for future approvals.

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Summary of Cost Savings Initiatives for FY 2007-08:	FUNDING				FTEs			
	General	Federal	Other	Total	State	Fed.	Other	Total
Initiative Title: reduction in expenditures for construction of approved projects	0	0	1247794	\$1247794	0	0	0	0.00
Activity Number & Name: 1453 Provide financial assistance for construction of major transportation projects								
Initiative Title:	0	0	0	\$ 0	0	0	0	0.00
Activity Number & Name:								
Initiative Title:	0	0	0	\$ 0	0	0	0	0.00
Activity Number & Name:								
TOTAL OF ALL INITIATIVES	\$ 0	\$ 0	1247794	\$1247794	0.00	0.00	0.00	0.00

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name:
- B. Agency Activity Number and Name:
- C. Explanation of Lowest Priority Status:
- D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
Personnel:						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	0	0	0	0	0	\$ 0
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

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[illegible]